



UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

MAY - JUNE

COURT NEWS

Chief Judge Vincent P. Zurzolo

2007

Jon D. Ceretto, Executive Officer/Clerk

ALL ABOARD THE CM/ECF TRAIN!

By: Erika Tarankow, Management Analyst Intern

It has been only seven months since the CM/ECF "Train" first rolled onto the tracks and the Court permanently closed eFile. In January and February of 2007 alone, an amazing 32,000 electronic filings were accepted through ECF.

As of April 1, 2007, ECF became mandatory for attorneys who file documents capable of being filed electronically in five or more bankruptcy cases and/or adversary proceedings in a single calendar year. As part of our Quality Control efforts, the Court is monitoring compliance with the mandatory filing requirement. As of April 1, 2007 - when the Court enacted mandatory compliance - 81% of all petitions filed by attorneys were submitted through ECF.

Since August 2006, the Clerk's Office has held over 125 ECF classes to train attorneys and their staff throughout the district. If you have not already done so, now is the time to board the ECF train of the future!



REMINDER: DROP BOXES DISCONTINUED AT LOS ANGELES AND SAN FERNANDO VALLEY DIVISIONS

As of February 16, 2007, the drop boxes at both the Los Angeles and San Fernando Valley divisions were discontinued. Service at the Los Angeles Division Intake Section at 300 North Los Angeles Street discontinued at the close of business on February 16, 2007. The Court cannot assume responsibility for documents to the previous location of the Los Angeles Division Intake Section, or for documents that are left after hours at either of these divisions.



For additional information, please see Public Notice 07-004 RE: *Los Angeles Division Intake Relocation* and Public Notice 07-005 RE: *Drop Boxes Discontinued at Los Angeles and San Fernando Valley Divisions* at www.cacb.uscourts.gov.

ADDING HYPERLINKS TO ELECTRONICALLY FILED DOCUMENTS

The Court encourages attorneys using CM/ECF to include hyperlinks to authorities cited in their electronically filed documents. Hyperlinks are simply a convenient mechanism for accessing material cited in an electronically filed document. Documents filed through CM/ECF can contain hyperlinks to other portions of the same document and to a location on the Internet, such as Lexis and Westlaw. However, **the document can not contain a hyperlink to another document in CM/ECF**, as these documents do not have fixed URL addresses.

Both Westlaw and Lexis provide free software (WestCiteLink and LexLink) that automatically finds legal citations in word processing documents and turns the citations into hyperlinks. In addition to providing a convenience to the reader, hyperlinks also enable the filer to quickly review their citations for accuracy - before the filing is completed. To learn more about the use of hyperlinks within documents, consult the Lexis or Westlaw Web sites.

COURT CLOSED

MEMORIAL DAY OBSERVED MONDAY, MAY 28, 2007



MEET THE NEW BANKRUPTCY JUDGE, HONORABLE ROBERT N. KWAN

By: Erika Tarankow, Management Analyst Intern

Judge Robert N. Kwan has quickly learned the ropes of being a bankruptcy judge since first donning his judicial robe when he was officially sworn in by Chief Judge Vincent P. Zurzolo on February 5, 2007. He succeeded recently retired Judge John E. Ryan of the Santa Ana Division and took over Judge Ryan's entire caseload, starting regularly hearing calendar a week after taking the bench. In his first two months, Judge Kwan drew several new Chapter 11 business bankruptcy cases, including People's Choice Home Loans, a large subprime lender, keeping him busy hearing "first day" and other emergency motions. In March, he attended a training for new bankruptcy judges on the East Coast and the Board of Judges' annual retreat in Santa Barbara. Judge Kwan has been involved on the Board of Judges' Chapter 13 Committee, studying and recommending changes in the local rules governing Chapter 13 cases after the 2005 Bankruptcy Code changes. Judge Kwan has also agreed to help a group of local bankruptcy attorneys who asked him to help them this year organize a new Bankruptcy Inns of Court, which will be the first of its kind in Southern California, to improve the skills, professionalism, and ethics of the bench and bar. About his experience on the bench so far, Judge Kwan said, "It is intense, but exhilarating."



Judge Kwan is a fifth generation Californian and grew up in the San Fernando Valley. He did his undergraduate work at Yale and holds law degrees from University of California Hastings College of the Law (JD) and Georgetown University (LLM in Taxation Law). In 1979, he began his legal career as a civil rights attorney for the U.S. Department of Justice (DOJ). His interest in bankruptcy law began when he was a DOJ attorney handling bankruptcy tax matters in the Eastern District of California. He also was in private general practice for several years. From 1989 to 2007, Judge Kwan served as an Assistant United States Attorney, prosecuting tax crimes and handling civil and bankruptcy tax cases, and was the deputy chief of the U.S. Attorney's Office's Tax Division in Los Angeles.

Judge Kwan said being a bankruptcy judge is "my dream job" since "bankruptcy law is a fabulous area to practice law because it is fast-paced, intellectually stimulating, but very practical" and "it is a joy to have such wonderful colleagues on the bench and in the bar" and Judge Kwan also said, "It is a tremendous honor to follow in the footsteps of Judge John Ryan, whom I have long admired, and I am extremely grateful to the judges of the Ninth Circuit for the opportunity to serve."

In his free time, Judge Kwan enjoys volunteering in his community, and was recently honored as volunteer of the year at his local public library. He also enjoys working on his golf game, still taking occasional lessons, and taking family outings to the Santa Ynez Valley, particularly during the wine harvest season, where he cannot help but stop by Olsen's Danish Bakery in Solvang to pick up several tubs of delicious butter cookies for his friends and family.

Judge Kwan will be formally inducted as a bankruptcy judge on June 25, 2007 at the Ronald Reagan Federal Building and United States Courthouse in Santa Ana. Details regarding the induction ceremony will be released at a later date.

NEW IRS TABLES FOR FORMS B22A/B22C EFFECTIVE APRIL 1, 2007

As of April 1, 2007, the IRS tables required to complete Official Bankruptcy Forms B22A (Statement of Current Monthly Income and Means-Test Calculations) and B22C (Chapter 13 Statement of Current Monthly Income and Calculation of Commitment Period and Disposable Income) have changed. The new data tables can be found at the Department of Justice's Web site at <http://www.usdoj.gov/ust> under "Means Testing Information" and upon selecting the "2/1/07 or after" option in the pull-down menu.



AMENDMENTS TO OFFICIAL FORMS

Effective April 1, 2007, automatic adjustments to the dollar amounts stated in various provisions of the Bankruptcy Code and one provision of Title 28 of the United States Code became effective. Please ensure that the updated forms are used as the amended dollar amounts apply to cases filed on or after April 1, 2007.

Seven of the Official Bankruptcy Forms contain references to several of the affected dollar amounts and have been revised.

- Official Form 1, Voluntary Petition
- Official Form 6C, Schedule of Property Claimed as Exempt
- Official Form 6E, Schedule of Creditors Holding Claims Entitled to Priority
- Official Form 7, Statement of Financial Affairs
- Official Form 10, Proof of Claim
- Official Form 22A, Statement of Current Monthly Income and Means Test Calculation (Chapter 7)
- Official Form 22C, Statement of Current Monthly Income and Calculation of Commitment Period and Disposable Income (Chapter 13)



For more information, please see Public Notice 07-006 RE: *Amendments to Official Forms Effective April 1, 2007* at www.cacb.uscourts.gov.

FILING STATISTICS

	2007 ESTIMATE JAN-APR	2006 ACTUAL JAN-APR	Percent Change
Central District of California			
Chapter 7	7,300	3,400	114.7%
Chapter 11	86	88	-2.3%
Chapter 13	2,140	762	180.8%
TOTAL*	9,527	4,250	124.2%
	Calendar Year 2006	Calendar Year 2005	Percent Change
Nationally			
Chapter 7	360,890	1,659,017	-78.2%
Chapter 11	5,163	6,800	-24.1%
Chapter 13	251,179	412,130	-39.1%
TOTAL*	617,232	2,077,947	-70.3%

*Excludes Chapter 9, Chapter 12, Chapter 15 and Section 304 filings

20 Largest and Other Cases of Interest Filed in the Last 24 Months*

Debtor Name	Case Number	Date Filed	Chapter	Asset Level in Millions	Liability Level in Millions	Milestone May-June
TradexLTD	LA-05-20537-RN	5/10/2005	Sect 304	Over \$100	Over \$100	Status conference continued to 6/21/07.
WattsHealth Foundation, Inc., dba UHP Healthcare	LA-05-22627-TD	5/31/2005	11	\$55	\$45	Amended chapter 11 plan filed on 4/24/07.
Burstein Technologies	LA-05-23985-EC	6/16/2005	11	Over \$100	\$10-50	Closed on 8/31/06.
APX Holdings, LLC	LA-06-10875-EC	3/16/2006	7	Over \$100	Over \$100	Motion to allow claims 256-1256 filed on 4/20/07.
Marion Knight, aka Suge Knight	LA-06-11187-VZ	4/4/2006	11	\$4	\$137	Motion to strike a portion of debtor's reply filed on 4/13/07.
Death Row Records, Inc	LA-06-11205-VZ	4/4/2006	11	Undetermined	\$111	Order granting the directing of Bankruptcy Rule 2004 of production of documents of City National Bank entered on 4/16/07.
Los Osos Community Services District	ND-06-10548-RR	8/25/2006	9	\$1-10	Less than \$1	Motion for relief from stay filed by Creditor Taxpayers Watch granted at hearing on 3/27/07; 5/15/07 set as deadline for filing proofs of claim; three adversary cases pending.
Santa Barbara Beach Holding, LLC	ND-06-10887-RR	11/22/2006	11	\$54	Over \$75	Order approving post-petition financing signed 4/13/07.
GSM Wireless	SA-05-13514-JR	5/19/2005	11	\$10-50	\$10-50	Certificate of readiness of record on appeal to District Court re: United States District Court Case No. SACV-06-1188-DOC.
Trigem America Corp.	SA-05-13972-TA	6/3/2005	11	Over \$100	Over \$100	Chapter 11 Confirmation Hearing hearing continued to 4/25/2007.
Trigem Texas Inc.	SA-05-14047-TA	6/8/2005	11	Over \$100	Over \$100	Motions objecting to Claims hearings set for 6/13/07.
Window Rock Entertainment, dba Cortislim	SA-05-50048-JR	11/23/2005	11	\$18	\$162	Final Applications for Fees hearings set for 5/17/07.
People's Choice Home Loan, Inc.	SA-07-10765-RK	3/20/2007	11	Over \$100	Over \$100	Order granting motion authorizing bulk sale of mortgage loans owned by debtors and authorizing debtors to sell loans held by or financed by Third Party Warehouse Lenders entered on 4/19/07.
Jill Kelly Productions, Inc.	SV-05-15389-KT	8/8/2005	11	\$1-10	\$1-10	Hearing held on 1/30/07 @ 2:00PM Re: 3rd Interim Fee Application. Order Granting Fee Application on 2/6/07.
Persistence Capital, LLC	SV-05-16450-KT	9/13/2005	11	\$85	\$29	341(a) Meeting continued to 4/3/07 @ 9:00 AM. Hearing on 4/23/07 Re: Settlement Agreement between Trustee and Bruinbilt LLC.
10000 Millenium Plaza LLC	SV-05-50021-GM	10/26/2005	11	\$50-100	\$30	Orders Granting Final Applications for Compensation signed on 3/23/07. Stipulation and Order to continue hearing on debtor's objection to claim 5/16/07 @ 10:00 AM.
Robert Blake, aka Michael J Gubitosi	SV-06-10125-GM	2/3/2006	11	\$0.5	\$50-100	Order for examination of financial documents filed on 9/21/06.
PureBeauty, Inc.	SV-06-10545-KT	4/18/2006	11	\$10-50	\$50	Motion for Relief from Stay Denied on 1/10/07. Ch.11 Plan & Disclosure Statement filed 1/30/07. Hearing on 5/10/07 @ 2:00 PM Re: Approval of Disclosure Statement
Bodies in Motion, Inc.	SV-06-10931-GM	6/20/2006	11	\$10-50	\$50	Administrative Claims bar date was 4/16/07. Ch. 11 Plan & Disclosure Statement filed 2/28/07; Amended Disclosure Statement filed 4/16/07.
Ownit Mortgage Solutions Inc	SV-06-12579-KT	12/28/2006	11	\$698.0	\$819	Schedules filed 2/9/07. 341(a) meeting re-scheduled to 2/20/07 @ 10:00 AM. Claims bar date set for 6/15/07. Government bar date set for 10/9/07

*Based on a combination of Asset and Liability Levels, Number of creditors, high activity, and/or name recognition

Court News

is published by the United States Bankruptcy Court for the Central District of California as an informational service for the practitioners and public of our Court.

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Suggestions and comments are always welcome.
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